4 September 2024

Ecora Resources PLC
("Ecora", the "Group" or the "Company")

Half year results

Ecora Resources PLC (LSE/TSX: ECOR) announces half year results for the six months ended 30 June 2024 which are available on both the Group's website at www.ecora-resources.com and on SEDAR at www.sedar.com.

Ecora is the leading royalty company focused on supporting the supply of industrial commodities essential to creating a sustainable future. The Group has a portfolio which combines volume growth in 2024 and 2025 from its currently producing royalty portfolio with an extensive pipeline of high-quality development projects that are expected to drive material medium term revenue growth.

Marc Bishop Lafleche, Chief Executive Officer of Ecora, commented:

"Our portfolio contribution in the first half of 2024 was up 15% year-on-year, driven by a strong performance from Kestrel. H2 portfolio contribution is expected to be principally weighted to the Group's other producing royalties including production volume growth at the Voisey's Bay and Mantos Blancos mines. Further production growth at Voisey's Bay is expected thereafter as underground operations ramp-up up to steady state production levels.

"Capstone Copper's updated Feasibility Study on the Santo Domingo project reiterated the project's robust economics and potential to operate within the lowest cost quartile of global copper mines. BHP's decision to temporarily suspend operations at its Australian Nickel division, in light of current nickel market weakness, including the construction of West Musgrave, was disappointing but we remain confident in the project's potential as a low-cost producer of nickel and copper.

"We have seen a strong uptick in opportunities to further grow our portfolio, which we continue to evaluate applying our stated investment criteria and a capital allocation priority to maintain a strong balance sheet."

Financial highlights:

- Total portfolio contribution in H1 2024 of $51.3 million (H1 2023: $44.5 million) with royalty and metal stream related revenue in H1 2024 of $49.5 million (H1 2023: $42.7 million)

- Adjusted earnings per share in H1 2024 of 10.38c (H1 2023: 9.06c)

- Profit before tax in H1 2024 of $17.9 million (H1 2023: loss $10.2 million)

- Net debt at 30 June 2024 of $86.0 million (31 December 2023: $74.6 million), representing leverage of 1.43x

- The Group amended and extended its $150 million revolving credit facility, securing more favourable terms and providing greater flexibility

- Half year dividend of 1.70 cents per share, equating to 33% of free cash flow, and towards the upper end of our stated 25-35% payout range, to be paid in January 2025

- Proceeds of CA$11.1million ($8.1 million) from sale of shares in Labrador Iron Ore Royalty Corporation ("LIORC") implying a total return on investment of ~110% (inclusive of dividends), with proceeds deployed into the Group's share buyback program in Q2 2024

Portfolio highlights:

- Strong performance from Kestrel steelmaking coal royalty delivering volumes from private royalty area in H1 at the top end of full year volume guidance; no material volumes expected in H2 2024

- Four deliveries of cobalt were received in H1 under the Voisey's Bay stream (each delivery is 20 tonnes of which 70% is attributable to the Group). With the Voisey's Bay Mine Expansion Project construction phase nearing completion, production volumes are expected to ramp-up with between 8 and 12 cobalt lot deliveries expected in the second half of 2024

- Year-on-year production volume growth expected in 2024 and through 2025 at operations underlying the Group's royalty portfolio

Post-period end events

- On 1 July the Group announced the acquisition of a 0.85% Gross Revenue Royalty over the Phalaborwa rare earths project located in South Africa, and operated by Rainbow Rare Earths Ltd ("Rainbow") for a cash consideration of $8.5 million

- On 11 July, BHP announced that it will temporarily suspend the construction of the West Musgrave nickel-copper project in October 2024, with the decision to be reviewed by February 2027

- On 31 July, Capstone Copper Corp. ("Capstone") published an updated Feasibility Study for the Santo Domingo project which reiterated its robust economics as a low-cost operation with expected cash costs of $0.33 per payable pound of copper over its 19 year mine-life

Portfolio contribution	HY 2024 $m	YoY	HY 2023 $m	FY 2023 $m
Core portfolio				
Voisey's Bay (cobalt)	2.0	(35%)	3.1	5.6
Mantos Blancos (copper)	2.8	(15%)	3.3	6.1
Maracás Menchen (vanadium)	1.1	(35%)	1.7	3.1
Four Mile (uranium)	1.4	133%	0.6	6.8
Carlota (copper)	0.3	-	0.3	0.6
Royalty and stream income	7.6	(15%)	9.0	22.2
Dividends - LIORC & Flowstream	0.3	(70%)	1.0	2.0
Interest - McClean Lake	0.8	(11%)	0.9	1.8
Royalty and stream related revenue	8.7	(20%)	10.9	26.0
EVBC[1]	0.5	(58%)	1.2	0.7
Principal repayment – McClean Lake	1.7	31%	1.3	2.3
Less:				
Metal streams cost of sales	(0.4)	(43%)	(0.7)	(1.3)
Total portfolio contribution from core assets	10.5	(17%)	12.7	27.7
Near term run-off portfolio				
Kestrel (steel making coal)	40.8	28%	31.8	35.9
Total near term run-off portfolio	40.8	28%	31.8	35.9
Total portfolio contribution	51.3	15%	44.5	63.6

[1] Under IFRS 9, the royalties received from EVBC are reflected in the fair value movement of the underlying royalty rather than recorded as royalty and stream related revenue.

Analyst presentation

There will be an analyst presentation webcast at 9:00am (BST) today (4 September 2024) hosted by Marc Bishop Lafleche (CEO) and Kevin Flynn (CFO).

Please join the event 5-10 minutes prior to the scheduled start time. When prompted, provide the confirmation code or event title.

Event	Ecora Resources – Half Year Results
Time Zone	Dublin, Edinburgh, Lisbon, London
Start Time/Date	9:00am/4 September 2024
Webcast Link	https://brrmedia.news/ECOR_HY_24

For further information

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Notes to Editors:

Alternative Performance Measures

Throughout this announcement a number of financial measures are used to assess the Group's performance. The measures are defined below and, with the exception of operating profit/(loss), are non-IFRS measures because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, or are calculated using financial measures that are not calculated in accordance with IFRS. The non-IFRS measures may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's operating results as reported under IFRS. The Group does not regard these non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

Portfolio contribution

Portfolio contribution represents funds received or receivable from the Group's underlying royalty and stream related assets, and is taken into account by the Board when determining dividend levels. Portfolio contribution is royalty and stream related revenue net of metal stream costs of sales, plus royalties received or receivable from royalty financial instruments carried at FVTPL and principal repayments received under the Denison financing agreement. Refer to note 21 of the condensed consolidated financial statements for portfolio contribution.

Operating profit

Operating profit represents the Group's underlying operating performance from its royalty and stream interests. Operating profit is royalty and stream related revenue, less metal streams cost of sales, amortisation and depletion of royalties and streams and operating expenses. Operating profit excludes impairments and revaluations, and reconciles to 'operating profit before impairments and revaluations' on the income statement.

Adjusted earnings and adjusted earnings per share

Adjusted earnings represent the Group's underlying operating performance from core activities. Adjusted earnings is the profit/loss attributable to equity holders plus royalties received from financial instruments carried at fair value through profit or loss, less all valuation movements and impairments (which are non-cash adjustments that arise primarily due to changes in commodity prices), amortisation and depletion charges, unrealised foreign exchange gains and losses, and any associated deferred tax, together with any profit or loss on non-core asset disposals as such disposals are not expected to be ongoing. Adjusted earnings divided by the weighted average number of shares in issue gives adjusted earnings per share. Refer to note 5 of the condensed consolidated financial statements for adjusted earnings and adjusted earnings per share.

Net debt

Net debt is calculated as borrowings less cash and cash equivalents. Refer to note 14 of the condensed consolidated financial statements for details of the Group's borrowings and net debt.

Free cash flow and free cash flow per share

The structure of a number of the Group's royalty financing arrangements, such as the Denison transaction completed in February 2017, result in a significant amount of cash flow being reported as principal repayments, which are not included in the income statement. As the Group considers dividend cover by reference to both adjusted earnings per share and the free cash flow generated by its assets, management have determined that free cash flow per share is a key performance indicator.

Free cash flow per share is calculated by dividing net cash generated from operating activities, plus proceeds from the disposal of non-core assets and any cash considered as the repayment of principal under commodity related financial agreements, less finance costs, by the weighted average number of shares in issue. Refer to note 19 to the condensed consolidated financial statements for free cash flow per share.

BUSINESS REVIEW

Results

The Group delivered a strong financial performance in the first half of the year reporting a total portfolio contribution of $51.3 million (H1 23: $44.5 million). This was driven by the performance of Kestrel where saleable production from the Group's private royalty area during H1 was at the top end of full year guidance for 2024. There is no material contribution expected from Kestrel in H2 2024.

Cobalt prices have remained at cyclically low levels, with an H1 2024 average price received for the sale of Voisey's Bay cobalt of $16.0/lb (H1 2023: $16.5/lb). The majority of our cobalt deliveries are alloy grade and attract a premium versus the standard grade price which averaged $13.2/lb in the period. Historically, approximately 80% of the cobalt delivered under the Voisey's Bay stream has been to alloy grade specification, which currently realises a premium of approximately $4/lb to the FastMarkets Metal Bulletin standard grade price.

On 27 March, the Group announced an updated capital allocation framework, and in conjunction a $10 million share buyback programme. The capital allocation framework seeks to maintain balance sheet strength, while continuing to provide an attractive dividend yield relative to the royalty sector peers and retain the flexibility to allocate capital for further growth. The capital allocation framework also considers opportunistic share buybacks if the Group's shares are trading at a sizable discount to estimated net asset value.

This is the first period in which the Group will declare its dividend under the revised framework, with dividend distributions based on a percentage of average free cash flow across the previous two half year periods. Across H2 2023 and H1 2024 the average free cash flow totalled $12.7 million. The Board has determined that the H1 2024 dividend will be 1.70 cents per share which equates to 33% of average free cash flow during the prior two half year periods and is towards the upper end of the stated 25-35% payout range.

On 1 July the Group announced the acquisition of a 0.85% Gross Revenue Royalty on the Phalaborwa Rare Earths Project in South Africa. The project is operated by Rainbow and in connection with the royalty acquisition, the Group subscribed for $1.5 million of ordinary shares in Rainbow on 28 June 2024.

In January, the Group announced that it had amended and extended its $150 million revolving credit facility agreement with its existing syndicate of Scotiabank, CIBC and RBC. The agreement includes an uncommitted accordion feature of up to $75 million to be used to fund royalty acquisitions which would take the borrowing capacity up to $225 million. There are no fixed amortisations or step downs associated with the facility and maturity has been extended to January 2027 at the earliest.

The Group ended the period 30 June 2024 with net debt of $86 million. This is expected to reduce meaningfully in the next 18 months (absent acquisitions, assuming current commodity prices and operator volume guidance) as the Group has no firm funding commitments beyond the payment on completion of the $8.5 million for the Phalaborwa royalty. Leverage at the end of June was 1.43x, well below the 3.5x permitted under the facility.

Adjusted earnings in the period increased to $26.6 million (H1 2023: $23.4 million) generating adjusted earnings per share of 10.38c (H1 2023: 9.06c).

Outlook

The second half of the year is expected to be weighted towards the Group's portfolio ex-Kestrel, with Kestrel operations moving outside the Group's royalty area before returning in H1 2025 at current mining rates. Based on H1 operating partner production levels, we continue to expect year-on-year underlying production volume growth across our royalty portfolio in 2024 and as well as 2025.

The Voisey's Bay underground mine expansion was 96% complete as of the end of Q2 2024, with the mining of the underground Reid Brook and Eastern Deeps deposits now ramping up such that the Group expects to receive eight to twelve deliveries of cobalt in H2 2024 and between 20 and 28 deliveries of cobalt in 2025. At life of mine average production levels, expected to be reached by the end of 2026, the Group will receive around 40 deliveries of cobalt per annum.

At the start of H2 2024, mining activities at Kestrel have moved outside the Group's private royalty area and are expected to stay outside for the remainder of the year before returning in late Q1 2025. With Kestrel and Voisey's Bay volumes for 2025 expected to be higher than in 2024, the Group is well positioned to deliver a strong financial performance in 2025 (at constant commodity prices).

We were pleased to see Capstone publish an updated Feasibility Study for the Santo Domingo project which confirmed the robust economics of the project which could contribute approximately $30 million per annum (on analyst consensus volumes and pricing) to Ecora once it enters production. It was disappointing to see BHP temporarily suspend the construction of the West Musgrave nickel-copper project, but we are confident in the project's potential as a low-cost producer of nickel and copper.

A final investment decision by Brazilian Nickel on the Piauí project is not expected before 2025, which would trigger the right, but not obligation, to invest a further $62.5 million in the project to part fund construction capital costs.

We believe that the capital we have deployed in the past four years has given us the assets that will become the cornerstone of our portfolio well into the next decade and beyond. While our short-term focus is on high-quality acquisitions that are producing, or close to production, and from which we would have a clear path to de-leveraging, we will also look at earlier stage opportunities that are high quality but smaller ticket sizes, in line with our capital allocation framework which prioritises the maintenance of a strong balance sheet.

PORTFOLIO REVIEW

Producing Royalties

Voisey's Bay (Cobalt)

Attributable deliveries under the Voisey's Bay cobalt stream totalled 56 tonnes (H1 2023: 84 tonnes) during the period (four 20 tonne deliveries of which 70% is attributable to the Group), realising an average sales price of approximately $16.00/lb (H1 2023: $16.54/lb).

Cobalt deliveries in Q2 were impacted by annual planned maintenance at the Long Harbour refinery. Between 8 and 12 deliveries are expected during H2 with one having been received, one at port and two due to be shipped imminently.

Kestrel (Steelmaking coal)
Production from Kestrel was within the Group's private royalty area for the majority of H1 2024 with saleable production volumes of 2.0Mt at the top end of FY 24 guidance (1.8-2.0 Mt). There are expected to be minimal volumes from the Group's private royalty area in H2 2024, leaving FY 24 guidance at c. 2.0 Mt.

Operations are expected to move back inside the Group's private royalty area during H1 2025 and overall volumes in the Group's royalty area in 2025 are currently anticipated to be higher than the 2.0 Mt guided to in 2024.

Mantos Blancos (Copper)

Total copper production of 21.0kt (H1 2023: 25.8kt) was lower than the operator guidance of 23- 28kt due to localised geotechnical issues impacting the mine sequence in Q2 which resulted in lower grades and recoveries.

Capstone is anticipating higher throughput rates in H2 following the final installation, commissioning and tie in of new tailings pumping infrastructure. During June mill ore throughput averaged 17ktpd, a monthly record, and the final tie in of the new infrastructure was completed in July with the ramp up to 20ktpd expected during Q3.

Other
Largo Inc. focused on reducing operating costs and improving productivity at the Maracas Menchen mine during H1 2024, to navigate a period of lower vanadium prices which reduced to $6.59/lb compared to $9.97/lb in H1 2023. V_2O_5 production was impacted in Q1 by unplanned kiln maintenance resulting in H1 2024 sales totalling 4,418 tonnes (H1 2023: 4,544 tonnes). Largo has reiterated full year production guidance of 9,000 -11,000 tonnes.

Throughput at the McClean Lake Mill increased by 16% as output from the Cigar Lake mine increased by 21% to 5.1Mlbs (H1 2023: 4.2Mlbs). Cameco's full year 2024 Cigar Lake production guidance remains 18Mlbs.

The Group sold down the majority of its equity holding in LIORC for proceeds of CA$11.1 million ($8.1 million). Ecora now holds a total of 57,390 shares.

Advanced Development Stage Royalties

Santo Domingo (Copper)
Capstone published an updated feasibility study for the fully permitted Santo Domingo project in Q3 2024. The updated Feasibility Study enhanced the mine's economics with low capital intensity and first quartile costs. Capstone is now focusing on optimising the financing structure of the project and in parallel will advance the detailed engineering of the project. Ecora owns a 2% Net Smelter Return ("NSR") royalty over part of the Santo Domingo project that covers the highest copper grade portion of the mine plan. In the initial six to seven years of production in the Group's royalty area, annual production is expected to be 106ktpa of copper and 4.7 Mtpa of by products (including gold and iron).

West Musgrave (Nickel-copper)
BHP announced in February 2024 that it was reviewing the plans for its Western Australia nickel operations, which include the West Musgrave nickel-copper project, at the same time it stated that on a standalone basis West Musgrave could still generate reasonable returns. In July 2024, BHP announced that it would be temporarily suspending the construction of the West Musgrave project in October 2024 with the decision to be reviewed by February 2027.

Piauí (Nickel)

Brazilian Nickel has completed the detailed engineering studies that were incorporating the learnings from the small-scale plant with a view to optimising the flow sheet ahead of advancing financing discussions for the construction of the project. A final investment decision is not expected before 2025 which would trigger the Group's right, but not obligation, to invest a further $62.5 million to part fund construction of the project. This investment would increase the royalty rate from 1.60%, which at current commodity prices would generate a material portfolio contribution, to 4.25%.

Nifty (Copper)

In May 2024, Cyprium Metals Limited announced the results of the Nifty Surface Mine Scoping Study. The results of the study show an expected average annual production of 36,000 tonnes of copper. Nifty is a brownfield development and the Board of Cyprium has approved the advancement to a Pre-Feasibility Study. The Group holds a 1.5% Realised Value Royalty over the Nifty project.

Early Stage Royalties

SW2 (Uranium)

In March 2024, NexGen Energy Ltd announced the discovery of a new intense uranium zone on its SW2 property located around 3.5km east of its world class Arrow Deposit in Saskatchewan, Canada. Ecora has a 2% Net Smelter Return Royalty on parts of the SW2 Rook 1 property which contain the new discovery. In August 2024 NexGen provided an update on the results of its drilling programme which confirmed that the footprint of the new discovery is larger than Arrow's at the same stage of metres drilled and shows all the signs of being another world class discovery.

Canariaco (Copper)

In June 2024, Alta Copper Corp. filed a new Technical Report and Preliminary Economic Assessment ("PEA") for the Canariaco Copper Project over which the Group holds a 0.5% NSR royalty. The PEA outlines a project producing an average of 158ktpa of copper in the first ten years and with a total mine life of 28 years at an estimated upfront capital cost of $2.1 billion. Additional drilling in a number of defined areas has the potential to delineate additional mineral resources.

Amapá (Iron Ore)

In March 2024, Cadence Minerals announced results of an optimisation study for the Amapá Iron Ore Project which delivered material capital savings to the project. In July 2024, Cadence announced an updated PFS-level economic study with an increased NPV for the project of $1.145 billion. Ecora owns a 1% GRR over a majority of the project area.

FINANCE REVIEW

The first half of the year saw increased portfolio contribution owing largely to the 2.0Mt in production from the Group's private royalty lands at Kestrel, which was higher than expected and at the upper end of the Group's full year guidance. As a result, the Group's portfolio contribution increased from $44.5m in H1 2023 to $51.3m in H1 2024. Other notable highlights saw the Group refinance its borrowing facility, which extends maturity to Q1 2027 at the earliest, with no step downs or amortisation requirements. This facility reinforces the balance sheet and provides capital for the Group to continue making acquisitions.

The second half of the year will see an increase in deliveries from the Group's Voisey's Bay cobalt stream following the successful installation of the materials handling unit at the Reid Brook deposit. This is a key milestone for the ramp up of the underground mine which is expected to result in 40 deliveries annually once the mine reaches steady state production, a significant increase from the 12-16 deliveries being forecast in the current year.

Absent further acquisitions, the second half of the year should see a reduction in net debt from its peak of $86m at the end of June, with more significant deleveraging envisaged in 2025. Although borrowings are running higher than previous reporting periods, the leverage ratio remains very comfortable at 1.43x which is well within the 3.5x limit in the borrowing facility.

The Group's new capital allocation policy was announced at the end of March and along with the payment of the 2023 final dividend, the Group executed a $10m share buyback program. In addition, the Group entered into a $10m financing package with Rainbow Rare Earths which resulted in a 0.85% royalty for $8.5m along with a $1.5m equity subscription.

With modest and manageable levels of leverage and significant headroom on the Group's borrowing facility the Group remains in a strong financial position and is well capitalised to continue to execute its growth strategy.

<u>Results</u>

The Group's portfolio contribution increased by 15% to $51.3m for the six months ended 30 June 2024 (H1 2023: $44.5m). The increase in portfolio contribution combined with the $23.9m fair value loss on the revaluation of the Kestrel royalty, which reflects resource depletion in the first half of the year and slightly lower forward-looking pricing inputs, resulted in an H1 2024 profit after tax of $11.5m (H1 2023: loss of $7.5m), generating basic earnings per share of 4.48c for the first half of 2024 (H1 2023: loss per share 2.90c). Adjusting for the royalties from EVBC, valuation movements, non-cash items and the tax effect of these adjustments, resulted in H1 2024 adjusted earnings of $26.6m (H1 2023: $23.4m) and adjusted earnings per share of 10.38c (H1 2023: 9.06c).

The key driver for the increase in the Group's portfolio contribution during H1 2024 was the expected increase in volumes from Kestrel as production returned to the Group's private royalty lands, compared to H1 2023. Slightly offsetting the higher volumes at Kestrel was the combined impact of slightly weaker coal prices, which declined from $242/t in H1 2023 to $222/t in H1 2024, and the corresponding decrease in the average royalty rate from 20.45% in H1 2023 to 19.09% in H1 2024, resulting in total royalties of $40.8m (H1 2023: $31.8m).

Production at Voisey's Bay in H1 2024 reflects the ongoing transition from the open pit mine and ramp-up to full production of the underground mine. As a result, cobalt deliveries reduced by 33% to four in H1 2024 (H1 2023: six). In addition to the reduction in cobalt deliveries in the first half, the cobalt price remained depressed with the Group realising an average sales price of $16.03/lbs in H1 2024 (H1 2023: $16.54/lbs). The combination of both lower volumes and lower cobalt prices resulted in the contribution from the Group's Voisey's Bay stream, net of metal stream cost of sales, decreasing to $1.6m (H1 2023: $2.4m).

Elsewhere, volumes at Mantos Blancos were impacted by localised geotechnical issues resulted in a 15% reduction in royalties for H1 2024, despite the stronger year on year copper price, with royalties totalling $2.8m (H1 2023: $3.3m). At Maracas Menchen, the sustained weakness in the vanadium price resulted in royalties reducing by 35% to $1.1m for H1 2024 (H1 2023: $1.7m), despite volumes remaining flat year on year.

Whilst not included in portfolio contribution, the Group has continued to benefit from the price linked contingent consideration in conjunction with the Narrabri disposal. The Group is entitled to a $/t payment should the thermal coal price exceed $90/t. The Group received $0.1m in price linked payments for H1 2024, increasing total price linked payments to date to $2.3m. This is in addition to the $14.8m fixed payments received since 31 December 2021, with a further $2.0m to be received in January 2025 before final payments of $2.0m and $2.8m are received in January 2026 and December 2026 respectively. In addition to the price linked contingent consideration, the Group will be entitled to a further $5m at the point when the Narrabri South Extension receives permitting.

The table below outlines the key drivers of portfolio contribution increases in the period.

	HY1 2024 $m	% PC	HY1 2023 $m	% PC	Variance %	Notes
Kestrel	40.8	80%	31.8	72%	28%	In line with the Group’s guidance of Kestrel volumes being weighted towards H1 2024, volumes increased by 49% from 1.34Mt in H1 2023 to 2.0Mt in H1 2024 as production returned to the Group’s private royalty lands Price achieved decreased by 8% resulting in the average royalty rate decreasing from 20.45% in H1 2023 to 19.09% in H1 2024
Voisey's Bay	2.0	4%	3.1	7%	(35%)	4 deliveries received during H1 2024, compared to 6 deliveries received during H1 2023, reflecting the ongoing transition from the open pit to the underground mine and associated ramp-up The Group achieved an average sales price of $16.03/lbs in H1 2024 down from $16.54/lbs H1 2023, reflecting the ongoing global oversupply and reduced demand in China
Mantos Blancos	2.8	5%	3.3	7%	(15%)	Volumes decreased by 19% which reflects a planned mill shutdown in Q1 2024 and a short-term localised geotechnical issue that impacted mine sequencing in Q2 2024 Price achieved increased by 4%
Maracás Menchen	1.1	2%	1.7	4%	(35%)	Price achieved decreased by 34% reflecting lower demand for vanadium from China in H1 2024 H1 volumes remained flat year on year
Four Mile	1.4	3%	0.6	1%	133%	Volumes decreased by 33% - 1.9Mlbs in H1 2024 vs 2.8Mlbs in H1 2023 Lower volumes were offset by the 53% increase in average price achieved - $75/lbs in H1 2024 vs $49/lbs in H1 2023
Carlota	0.3	1%	0.3	1%	-	Other represents revenue generated by the Carlota royalty acquired in July 2022
Royalty and stream income	**48.4**		**40.8**		**19%**	
Dividends - LIORC & Flowstream	0.3	1%	1.0	2%	(70%)	The Group monetised 94% of its holding in LIORC between Q4 2023 and Q2 2024 realising C$30m H1 2024 dividends reflect the smaller holding despite the dividend per share increasing from $1.15/shares in H1 2023 vs C$1.55/share in H1 2024
Interest - McClean Lake	0.8	2%	0.9	2%	(11%)	
Royalty and stream related revenue	**49.5**		**42.7**		**16%**	
EVBC	0.5	1%	1.2	3%	(58%)	
Principal repayment - McClean Lake	1.7	3%	1.3	3%	31%	Throughput at the McClean Lake Mill increased by 16% in H1 2024, reflecting increased output from Cigar Lake
Less:						
Metal steams cost of sales	(0.4)	(1%)	(0.7)	(2%)	(43%)	Reflects deliveries from Voisey’s Bay decreasing to 4 in H1 2024 from 6 in H1 2023
Total portfolio contribution	**51.3**		**44.5**		**15%**	

The Group's borrowings have increased from $82.4m at 31 December 2023 to $99.0m at 30 June 2024, reflecting the final $9.2m paid during Q1 2024 in deferred consideration relating to the South32 portfolio acquired in 2022 and the final tax payments relating to the year ended 31 December 2023. The increase in borrowings has resulted in a corresponding increase in finance costs for the H1 2024. Absent any further acquisitions, borrowings are expected to have peaked at 30 June 2024, as a result finance costs should reduce over subsequent periods as the Group de-levers. In addition, there is now a heightened expectation in the Federal Reserve reducing its headline interest rate in the second half of the year which should also benefit the Group's finance costs going forward.

The Group's combined current and deferred taxes resulted in an income tax charge for H1 2024 of $6.4m, compared to an income tax credit of $2.7m in H1 2023. The increase in the combined tax charge in the period reflects the increase in royalty related revenue and the tax effect of the gain on the revaluation of royalty financial instruments, slightly offset by the tax effect of the decrease in Kestrel valuation.

As a result, the Group generated a profit after tax for the period of $11.5m (H1 2023: loss after tax of $7.5m). This produced basic earnings per share of 4.48c (H1 2023: basic loss 2.90c). Adjusting for the royalties from EVBC, valuation movements, non-cash items and the tax effect of these adjustments, adjusted earnings per share were 10.38c (H1 2023: 9.06c).

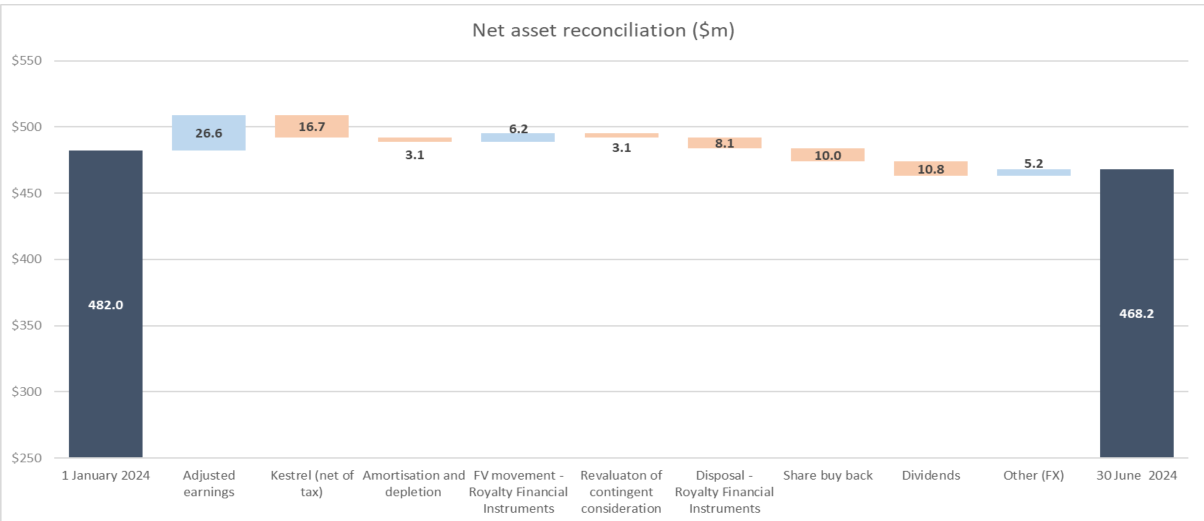
Dividends

Under the updated capital allocation policy, the dividend is now calculated based on a payout ratio of the average free cash flow generated in the immediate two preceding six-month periods. The averaging of the two periods is designed to smooth out quarterly volatility from the Kestrel royalty as it moves in and out of the Group's private royalty lands.

The H1 2024 free cash flow of $12.6m combined with the H2 2023 free cash flow of $12.8m results in an average free cash flow over the two periods of $12.7m. The Board has determined to pay an interim dividend of 1.70 cents per share for the first six months of 2024. This equates to a payout ratio for the first half of 33%, which is at the top end of the 25-35% ratio in the revised policy. The H1 2024 dividend will be paid on 31 January 2025, to all shareholders on the Register of Members on 3 January 2025.

Balance Sheet

Net assets decreased by ~$14m in the first six months of the year, mainly due to the $17m decrease in the value of the Kestrel royalty (net of tax), together with the completion of the $10m share buyback programme announced on 27 March 2024 and the distribution of ~$11m in dividends, slightly offset by the Group's adjusted earnings for the period of ~$27m.

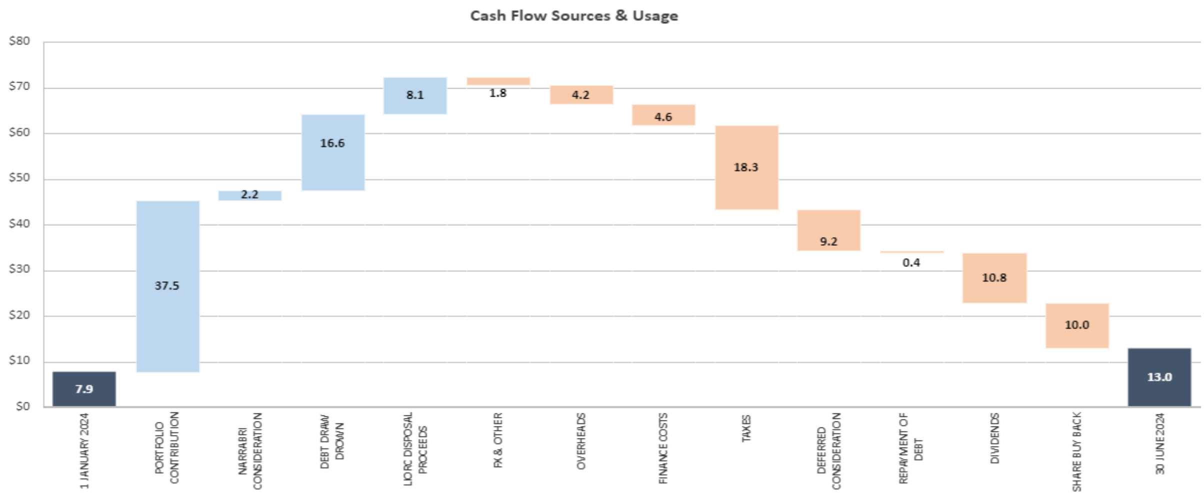


Total royalty and stream related assets, net of associated deferred tax, at 30 June 2024 were $567.2m of which 91% represent battery metals (31 December 2023: $608.7m; 87%). The Group's coal exposure, net of associated deferred tax, is now 7% (31 December 2023: 9%).

Net assets of $468.2m at the end of June results in net assets per share of $1.88 (£1.47) – a significant premium to the closing share price of £0.72 at 30 June 2024.

Cash flow and liquidity

As the royalties from Kestrel were weighted towards Q2 2024 and therefore not received until after the period, following the final tax payments relating to the year ended 31 December 2023 totalling $18.3m made in June, the Group's cashflow from operating activities decreased to $13.2m for H1 2024 (H1 2023: $18.3m). Adjusting for finance costs, the receipt of principal repayments under the Denison loan and the receipt of deferred and contingent consideration from the Narrabri disposal, results in free cashflow of $12.6m for H1 2024 (H1 2023: $22.2m) as detailed in note 19 of the financial statements.



During the period, the Group paid the final instalment of deferred consideration to South32 totalling $9.2m in relation to the acquisition of the South32 royalty portfolio in July 2022. Offsetting the deferred consideration paid to South32, was the receipt of $2.0m in deferred consideration and $0.2m in price linked contingent consideration arising from the 2021 disposal of the Narrabri royalty, together with $8.1m in proceeds realised through the partial disposal of the Group's holding in LIORC. Combined with the $1.7m in principal repayments received under the Denison loan this resulted in total cash from investing activities in H1 2024 of $2.9m (H1 2023: cash used in investing activities $12.6m).

The Group undertook a $10m capital recycling program in Q2 24 by disposing of the vast majority of its residual LIORC stake and using the proceeds to execute the $10m share buyback program announced in March 2024. This saw the Group disposing of an equity trading at around 1x p-nav multiple into the Group's equity which was trading at a much lower multiple.

The Group refinanced its $150m facility in Q1 2024. Although the headline commitment remained the same, the new facility comes at a slightly reduced cost, more flexible in how it can be drawn and operated and with a $25m additional accordion ticket which could take the total facility size to $225m. Importantly, the Group has no refinancing obligations until January 2027 at the earliest and there are no scheduled repayments required. With net debt forecast to have peaked at the end of June 2024, at the date of this report the Group has undrawn borrowings of $56.4m to continue financing new royalty acquisitions.

PRINCIPAL RISKS AND UNCERTAINTIES

Ecora Resources is exposed to a variety of risks and uncertainties which may have a financial, operational or reputational impact on the Group. The principal risks and uncertainties facing the Group in the second half of 2024 are the same as those disclosed in the 2023 Annual Report and Accounts, and relate to the following:

- Catastrophic and natural catastrophe risks
- Investment approval
- Future demand for our product
- Commodity prices
- Operator dependence and concentration risk
- Geopolitical events
- Financing capability
- Stakeholder support

The Group is exposed to changes in the economic environment, including to tax rates and regimes, as with any other business.

Details of any key risks and uncertainties specific to the period are covered in the Business and Portfolio review sections. Details of relevant tax matters are included in note 15 to the Condensed financial statements. The principal risks and uncertainties facing the Group at the 2023 year end are set out in detail on pages 63 to 67 of the strategic report in the 2023 Annual Report and Accounts. The 2023 Annual Report and Accounts is available on the Group's website www.ecora-resources.com

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024

		Six months ended	
		30 June	**30 June**
		2024	**2023**
	Notes	**$'000**	**$'000**
Royalty and metal stream related revenue	2	49,458	42,735
Mineral streams cost of sales		(368)	(725)
Amortisation and depletion of royalties and streams	8, 10	(3,071)	(4,665)
Operating expenses		(5,764)	(4,963)
Operating profit before revaluations		**40,255**	**32,382**
Revaluation of royalty financial instruments	9	8,465	3,011
Revaluation of coal royalties (Kestrel)	7	(23,858)	(43,820)
Finance income		103	3
Finance costs	3	(4,916)	(2,802)
Net foreign exchange (losses)/gains		(839)	1,674
Other losses	4	(1,308)	(664)
Profit/(loss) before tax		**17,902**	**(10,216)**
Current income tax charge		(8,089)	(10,705)
Deferred income tax credit	15	1,673	13,445
Profit/(loss) attributable to equity holders		**11,486**	**(7,476)**
Total and continuing earnings/(loss) per share			
Basic earnings/(loss) per share	5	4.48c	(2.90c)
Diluted earnings/(loss) per share	5	4.47c	(2.90c)

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024

		Six months ended	
		30 June	**30 June**
		2024	**2023**
	Notes	**$'000**	**$'000**
Profit/(Loss) attributable to equity holders		**11,486**	**(7,476)**
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investments held at fair value through other comprehensive income			
Revaluation of royalty financial instruments		(612)	(1,792)
Revaluation of mining and exploration interests		11	166
Deferred tax relating to items that will not be reclassified to profit or loss	15	69	309
		(532)	**(1,317)**
Items that have been or may be subsequently reclassified to profit or loss			
Net exchange loss on translation of foreign operations		(4,685)	(5,126)
		(4,685)	**(5,126)**
Other comprehensive loss for the period, net of tax		**(5,217)**	**(6,443)**
Total comprehensive profit/(loss) for the period		**6,269**	**(13,919)**

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT 30 JUNE 2024

	Notes	30 June 2024 $'000	Audited 31 December 2023 $'000
Non-current assets			
Property, plant and equipment		2,981	3,063
Coal royalties (Kestrel)	7	51,427	77,354
Metal streams	8	160,246	161,440
Royalty financial instruments	9	31,331	32,829
Royalty and exploration intangible assets	10	262,966	269,801
Mining and exploration interests	11	4,302	2,791
Deferred costs	12	1,897	341
Other receivables	13	27,592	33,708
Deferred tax	15	36,128	37,451
		578,870	618,778
Current assets			
Trade and other receivables	13	23,477	9,649
Cash and cash equivalents		12,980	7,850
		36,457	17,499
Total assets		**615,327**	**636,277**
Non-current liabilities			
Borrowings	14	98,962	82,400
Other payables	16	11,978	14,461
Deferred tax	15	24,237	28,126
		135,177	124,987
Current liabilities			
Income tax liabilities		5,523	15,927
Trade and other payables	16	6,470	13,344
		11,993	29,271
Total liabilities		**147,170**	**154,258**
Net assets		**468,157**	**482,019**
Capital and reserves attributable to shareholders			
Share capital	17	6,528	6,762
Share premium	17	169,212	169,212
Other reserves		96,721	103,293
Retained earnings		195,696	202,752
Total equity		**468,157**	**482,019**

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2023

				Other reserves							
	Notes	Share capital $'000	Share premium $'000	Merger reserve $'000	Investment revaluation reserve $'000	Share based payment reserve $'000	Foreign currency translation reserve $'000	Special reserve $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2023		6,761	169,212	94,847	6,321	687	3,952	833	102	220,889	503,604
Loss for the period		-	-	-	-	-	-	-	-	(7,476)	(7,476)
Other comprehensive income:											
Changes in fair value of equity investments held at fair value through other comprehensive income											
Valuation movement taken to equity		-	-	-	(1,626)	-	-	-	-	-	(1,626)
Deferred tax		-	-	-	309	-	-	-	-	-	309
Foreign currency translation		-	-	-	-	-	(5,126)	-	-	-	(5,126)
Total comprehensive loss		**-**	**-**	**-**	**(1,317)**	**-**	**(5,126)**	**-**	**-**	**(7,476)**	**(13,919)**
Transferred to retained earnings on disposal		-	-	-	(17)	-	-	-	-	17	-
Dividends		-	-	-	-	-	-	-	-	(11,070)	(11,070)
Utilisation of treasury shares to satisfy employee related share base payments	17, 22	1	-	-	-	-	-	-	(1)	76	76
Value of employee services		-	-	-	-	371	-	-	-	-	371
Total transactions with owners of the Company		**1**	**-**	**-**	**(17)**	**371**	**-**	**-**	**(1)**	**(10,977)**	**(10,623)**
Balance at 30 June 2023		**6,762**	**169,212**	**94,847**	**4,987**	**1,058**	**(1,174)**	**833**	**101**	**202,436**	**479,062**

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

				Other reserves							
	Notes	**Share capital $'000**	**Share premium $'000**	**Merger reserve $'000**	**Investment revaluation reserve $'000**	**Share based payment reserve $'000**	**Foreign currency translation reserve $'000**	**Special reserve $'000**	**Treasury shares $'000**	**Retained earnings $'000**	**Total equity $'000**
Balance at 1 July 2023		6,762	169,212	94,847	4,987	1,058	(1,174)	833	101	202,436	479,062
Profit for the period		-	-	-	-	-	-	-	-	8,323	8,323
Other comprehensive income: Changes in fair value of equity investments held at fair value through other comprehensive income											
Valuation movement taken to equity		-	-	-	(571)	-	-	-	-	-	(571)
Deferred tax		-	-	-	315	-	-	-	-	-	315
Foreign currency translation		-	-	-	-	-	5,462	-	-	-	5,462
Total comprehensive profit		**-**	**-**	**-**	**(256)**	**-**	**5,462**	**-**	**-**	**8,323**	**13,529**
Transferred to retained earnings on disposal		-	-	-	(2,985)	-	-	-	-	2,985	-
Dividends		-	-	-	-	-	-	-	-	(10,992)	(10,992)
Value of employee services		-	-	-	-	420	-	-	-	-	420
Total transactions with owners of the Company		**-**	**-**	**-**	**(2,985)**	**420**	**-**	**-**	**-**	**(8,007)**	**(10,572)**
Balance at 31 December 2023		**6,762**	**169,212**	**94,847**	**1,746**	**1,478**	**4,288**	**833**	**101**	**202,752**	**482,019**

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2024

				Other reserves							
	Notes	Share capital $'000	Share premium $'000	Merger reserve $'000	Investment revaluation reserve $'000	Share based payment reserve $'000	Foreign currency translation reserve $'000	Special reserve $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2024		6,762	169,212	94,847	1,746	1,478	4,288	833	101	202,752	482,019
Profit for the period		-	-	-	-	-	-	-	-	11,486	11,486
Other comprehensive income: Changes in fair value of equity investments held at fair value through other comprehensive income											
Valuation movement taken to equity		-	-	-	(601)	-	-	-	-	-	(601)
Deferred tax	15	-	-	-	69	-	-	-	-	-	69
Foreign currency translation		-	-	-	-	-	(4,685)	-	-	-	(4,685)
Total comprehensive profit		**-**	**-**	**-**	**(532)**	**-**	**(4685)**	**-**	**-**	**11,486**	**6,269**
Transferred to retained earnings on disposal	9	-	-	-	(1,416)	-	-	-	-	1,416	-
Dividends	6	-	-	-	-	-	-	-	-	(10,836)	(10,836)
Share buy-back	17	(239)	-	-	-	-	-	-	239	(10,000)	(10,000)
Utilisation of treasury shares to satisfy employee related share base payments	17, 22	5	-	-	-	(878)	-	-	(5)	878	-
Value of employee services		-	-	-	-	705	-	-	-	-	705
Total transactions with owners of the Company		**(234)**	**-**	**-**	**(1,416)**	**(173)**	**-**	**-**	**234**	**(18,542)**	**(20,131)**
Balance at 30 June 2024		**6,528**	**169,212**	**94,847**	**(202)**	**1,305**	**(397)**	**833**	**335**	**195,696**	**468,157**

Ecora Resources PLC

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024

		Six months ended	
		30 June	30 June
		2024	2023
	Notes	$'000	$'000
Cash flows from operating activities			
Profit/(Loss) before taxation		17,902	(10,216)
Adjustments for:			
Finance income		(103)	(3)
Finance costs	3	4,916	2,802
Net foreign exchange loss/(gains)		839	(1,674)
Other losses	4	1,308	664
Revaluation of royalty financial instruments	9	(8,465)	(3,011)
Royalties from royalty financial instruments		510	-
Revaluation of coal royalties (Kestrel)	7	23,858	43,820
Depreciation of property, plant and equipment		87	8
Amortisation and depletion of royalties and streams	8, 10	3,071	4,665
Amortisation of deferred acquisition costs		9	9
Share based payment expense		681	422
		44,613	37,486
(Increase)/decrease in trade and other receivables		(13,895)	1,381
Increase/(decrease) in trade and other payables		793	(830)
Cash generated from operations		31,511	38,037
Income taxes paid		(18,295)	(19,744)
Net cash generated from operating activities		**13,216**	**18,293**
Cash flows from investing activities			
Proceeds on disposal of mining and exploration interests		-	79
Investment in convertible loan		-	(109)
Purchase of property, plant and equipment		(2)	(54)
Purchase of royalty and exploration intangibles	10, 16	(9,167)	(18,333)
Proceeds on disposal of royalty and exploration intangibles	13	2,201	4,682
Proceeds on disposal of royalty financial instruments	9	8,145	-
Repayments under commodity related financing agreements	13	1,714	1,312
Prepaid acquisition costs		(60)	(137)
Finance income received		103	3
Net cash from/(used in) investing activities		**2,934**	**(12,557)**
Cash flows from financing activities			
Drawdown of revolving credit facility	14	16,600	41,100
Repayment of revolving credit facility	14	(400)	(33,700)
Dividends paid	6	(10,836)	(11,070)
Share buyback payments	17	(10,000)	-
Finance costs paid		(4,624)	(2,164)
Net cash used in financing activities		**(9,260)**	**(5,834)**
Net increase/(decrease) in cash and cash equivalents		**6,890**	**(98)**
Cash and cash equivalents at beginning of period		**7,850**	**5,850**
Effect of foreign exchange rates		(1,760)	542
Cash and cash equivalents at end of period		**12,980**	**6,294**

1. Basis of preparation

These condensed consolidated interim financial statements of Ecora Resources PLC are for the six months ended 30 June 2024. They have been prepared in accordance with United Kingdom adopted International Accounting Standard 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2023.

This condensed consolidated financial information does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved on 26 March 2024. Those accounts, which contained an unqualified audit report under Section 495 of the Companies Act 2006 and which did not include a reference to any matters to which the auditors drew attention by way of emphasis and did not make any statements under Section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

1.1 Going concern

The financial position of the Group and its cash flows are set out on pages 16 and 20. The Directors have considered the principal risks of the Group which are set out on pages 63 to 67 of the 2023 Annual Report, and considered key sensitivities which could impact on the level of available borrowings. As at 30 June 2024 the Group had cash and cash equivalents of $13m and borrowings under its revolving credit facility of $99m leaving $51m undrawn as set out in note 14.

Subsequent to the period end, the Group made a partial repayment of $10m and borrowed a further $5m to partially fund the acquisition of the Phalaborwa Rare Earths Project royalty detailed in note 23. As a result of these transactions, total borrowings under the Group's revolving credit facility as of the date of this report are $94m. Subject to continued covenant compliance, the Group has access to a further $56m through its secured $150m revolving credit facility as at the date of this report.

The Directors have considered the Group's cash flow forecasts for the period to the end of 30 September 2025 under base case and downside scenarios, including the demand for the commodities produced and the prices realised by the underlying operations of the Group's royalty and stream portfolio, and the ongoing operations themselves, including production levels. In all of the scenarios modelled (including price and volume reductions of 10% and a 10% adverse movement in foreign exchange), the Group continues to operate within its banking covenant limits with no debt redemption or amortisation commitment within the 12-month period from the date of approval of these interim condensed consolidated financial statements.

The Board is satisfied that the Group's forecasts and projections, taking into account reasonably possible changes in trading performance and other uncertainties, together with the Group's cash position and access to the revolving credit facility, show that the Group will be able to operate within the levels of its current facilities for the period assessed. For this reason, the Group continues to adopt the going concern basis in preparing its condensed interim financial statements.

1.2 Alternative Performance Measurers

The condensed consolidated interim financial statements include certain Alternative Performance Measures (APMs) which include adjusted earnings per share, adjusted dividend cover, net debt, free cash flow per share and portfolio contribution. The directors believe that disclosing alternative performance measures provides benefit to the users of the financial statements and aligns to the Group's internal monitoring of key performance indicators. These APMs are defined on page 4 of this half yearly financial report and are reconciled to GAAP measures in the notes 5, 6, 14, 19 and 21 respectively. The APM definitions are consistent with those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2023 on the inside front cover.

1.3 Changes in accounting policies

The accounting policies applied are materially consistent with those adopted and disclosed in the Group financial statements for the year ended 31 December 2023.

The following accounting standards, amendments and clarifications were adopted in the period with no significant impact:

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Amendments to IAS 1 Presentation of Financial Statements
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The Group has not early adopted any other amendment, standard or interpretation that has been issued but is not yet effective. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date.

1.4 Key sources of estimation uncertainty and critical accounting judgements

Key areas of critical accounting judgement and estimation uncertainty that have the most significant effect on the Group's consolidated financial statements remain as disclosed in note 4 of the consolidated financial statements of the Group for the year ended 31 December 2023.

2 Royalty and metal stream related revenue

	Six months ended	
	30 June 2024	30 June 2023
	$'000	$'000
Royalty revenue	46,400	37,733
Stream revenue	1,978	3,063
Interest from royalty related financial assets	809	940
Dividends from royalty financial instruments	271	999
	49,458	42,735

Interest from royalty related financial assets for the six months ended 30 June 2024 of $0.8m (30 June 2023: $0.9m) relates to interest earned on the Group's 13-year amortising loan of C$40.8m with an interest rate of 10% per annum, to Denison Mines Inc ("Denison"), which is classified as non-current other receivables (note 13).

Dividends from royalty financial instruments for the six months ended 30 June 2024 of $0.3m (30 June 2023: $1.0m) relates to the dividends received from the Group's investments in Labrador Iron Ore Company (2024: $0.2m; 2023: $0.9m) as described in note 9, together with the dividends received from the Group's investment in Flowstream Vintage (2024: $0.1m; 2023: $0.1m), an unquoted oil and gas streaming company.

3 Finance costs

	Six months ended	
	30 June 2024	30 June 2023
	$'000	$'000
Professional fees	(760)	(687)
Revolving credit facility fees and interest	(4,156)	(2,115)
	(4,916)	(2,802)

Professional fees represent legal and arrangement fees relating to the Group's revolving credit facility. These fees are initially capitalised as deferred financing costs (note 12) and amortised over the term of the facility.

4 Other losses

	Six months ended	
	30 June 2024 $'000	30 June 2023 $'000
Provision for royalty revenue receivable	-	(1,170)
Other (losses)/gains	(1,308)	506
	(1,308)	(664)

At 30 June 2023 management assessed the recoverability of the Q1 and Q2 2023 royalties owing from the operator of EVBC to be inherently uncertain and fully provided for the $1.2m receivable in light of the sustained margin pressures and operational constraints at the mine at the time. In the second half of 2023 the Group reached an agreement with the operator and recovered the royalties owing in full which resulted in the provisions being reversed.

Included in other losses is a loss on revaluation of the contingent consideration receivable related to West Musgrave (note 13) of $1.1m (2023: gain of $0.5m).

5 Earnings/(loss) per share

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including the definitions, please refer to page 4.

Earnings/(loss) per ordinary share is calculated on the Group's profit after tax of $11.5m for the six months ended 30 June 2024 (30 June 2023: loss of $7.5m) and the weighted average number of shares in issue during the period of 256,291,853 (2023: 257,888,523).

	Six months ended	
	30 June 2024 $'000	30 June 2023 $'000
Net profit/(loss) attributable to shareholders		
Earnings/(loss) - basic	11,486	(7,476)
Earnings/(loss) - diluted	11,486	(7,476)

	Six months ended	
	30 June 2024	30 June 2023
Weighted average number of shares in issue		
Basic number of shares outstanding	256,291,853	257,888,523
Dilutive effect of Employee Share Option Scheme	527,226	-
Diluted number of shares outstanding	256,819,079	257,888,523
Earnings/(loss) per share – basic	4.48c	(2.90c)
Earnings/(loss) per share – diluted	4.47c	(2.90c)

Adjusted earnings per share

Adjusted earnings represent the Group's underlying operating performance from core activities. Adjusted earnings is the profit/loss attributable to equity holders plus the royalty receipts from the EVBC royalty, less all valuation movements and impairments (which are non-cash adjustments that arise primarily due to changes in commodity prices), amortisation and depletion charges, unrealised foreign exchange gains and losses, and any associated deferred tax, together with any profit or loss on non-core asset disposals as such disposals are not expected to be ongoing.

	Earnings $'000	Earnings per share c	Diluted earnings per share c
Net profit attributable to shareholders			
Profit - basic and diluted for the six months ended 30 June 2024	11,486	4.48c	4.47c
Adjustment for:			
Amortisation and depletion of royalties and streams	3,071		
Receipts from royalty financial instruments	510		
Revaluation of royalty financial instruments	(8,465)		
Revaluation of coal royalties (Kestrel)	23,858		
Revaluation of contingent consideration	1,308		
Unrealised foreign exchange (gains)/losses	839		
Tax effect of the adjustments above	(5,991)		
Adjusted earnings - basic and diluted for the six months ended 30 June 2024	26,616	10.38c	10.36c

	(Loss)/ earnings $'000	(Loss)/ earnings per share c	Diluted (loss)/ earnings per share c
Net profit attributable to shareholders			
Loss - basic and diluted for the six months ended 30 June 2023	(7,476)	(2.90c)	(2.90c)
Adjustment for:			
Amortisation and depletion of royalties and streams	4,665		
Receipts from royalty financial instruments	1,170		
Revaluation of royalty financial instruments	(3,011)		
Revaluation of coal royalties (Kestrel)	43,820		
Revaluation of contingent consideration	(506)		
Unrealised foreign exchange (gains)/losses	(1,674)		
Tax effect of the adjustments above	(13,631)		
Adjusted earnings - basic and diluted for the six months ended 30 June 2023	23,357	9.06c	9.05c

In calculating the adjusted earnings per share, the weighted average number of shares in issue takes into account the dilutive effect of the Group's employee share option schemes in those periods where the Group has adjusted earnings. In periods where the Group has an adjusted loss, the employee share option schemes are considered anti-dilutive as including them in the diluted number of shares outstanding would decrease the loss per share, as such they are excluded.

The weighted average number of shares in issue for the purpose of calculated basic and diluted adjusted earnings per share are as follows:

	Six months ended	
	30 June 2024	**30 June 2023**
Weighted average number of shares in issue		
Basic number of shares outstanding	256,291,853	257,888,523
Dilutive effect of Employee Share Option Scheme	527,226	199,179
Diluted number of shares outstanding	256,819,079	258,087,702

6 Dividends

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including the definitions, please refer to page 4.

On 14 February 2024, an interim dividend of 2.125c per share was paid to shareholders ($5.4m) in respect of the year ended 31 December 2023.

The Board recommended and the Company's shareholders approved a final dividend in respect of the year ended 31 December 2023 of 2.125c at the Annual General Meeting on 2 May 2024. The final dividend totalling $5.4m was paid on 5 June 2024.

Under the updated capital allocation policy, the dividend is now calculated based on a payout ratio of the average free cash flow generated in the immediate two preceding six-month periods. The averaging of the two periods is designed to smooth out quarterly volatility from the Kestrel royalty as it moves in and out of the Group's private royalty lands.

The H1 2024 free cash flow of $12.6m (note 19) combined with the H2 2023 free cash flow of $12.8m results in an average free cash flow over the two periods of $12.7m. The Board has determined to pay an interim dividend of 1.70 cents per share for the first six months of 2024. This equates to a payout ratio for the first half of 33%, which is at the top end of the 25-35% ratio in the revised policy. The H1 2024 dividend will be paid on 31 January 2025, to all shareholders on the Register of Members on 3 January 2025.

7 Coal royalties (Kestrel)

	$'000
At 1 January 2023	106,669
Foreign currency translation	(2,101)
Loss on revaluation of coal royalties	(43,820)
At 30 June 2023	60,748
Foreign currency translation	1,306
Gain on revaluation of coal royalties	15,300
At 31 December 2023	77,354
Foreign currency translation	(2,069)
Loss on revaluation of coal royalties	(23,858)
At 30 June 2024	51,427

The carrying value of the Group's coal royalty of $51.4m (A$77.3m) is based on a valuation completed during June 2024 by an independent coal industry advisor, amended for management's assessment of the nominal discount rate and future commodity price assumptions. The independent coal industry advisor's assumptions relating to volumes and foreign exchange rates were not changed.

The valuation is based on a net present value of the future pre-tax cash flows from Kestrel discounted at a nominal rate of 10.5% (30 June 2023: 10.5%; 31 December 2023: 10.5%). The key assumptions in the valuation other than discount rate relate to price and foreign exchange rates.

Price assumptions
The independent coal industry advisor's price assumptions were based on the June 2024 Consensus Economics forecast of U$257/t for the second half of 2024. Given the volatility in the commodity prices management have assumed an average price for the second half of 2024 of U$234/t based on the Australian Premium Coking Coal FOB Financial Future price, before reverting to consensus pricing collated by RBC which decreases to an average nominal price U$223/t between 2025 and 2028, and a long-term flat nominal price of U$199/t.

Foreign exchange rate assumptions
The independent coal industry advisor's AUD:USD exchange rate assumptions used in the 30 June 2024 valuation assume a strengthening in the Australia dollar from a short-term rate of 0.67 to a long term rate of 0.73 against the US dollar.

The net royalty income from this investment is taxed in Australia at a rate of 30%. The revaluation of the underlying Australian dollar asset is recognised in the Income Statement with the retranslation to the Group's USD presentation currency recognised in the foreign currency translation reserve.

Were the coal royalty to be carried at cost the carrying value would be $0.3m (2023: $0.3m).

8 Metal streams

	30 June 2024 $'000	31 December 2023 $'000
Cost	175,585	175,585
Contingent consideration	2,978	2,978
Gross carrying amount	178,563	178,563
Depletion and impairment	(18,317)	(17,123)
Carrying amount	**160,246**	**161,440**

The metal stream and contingent consideration are being depleted on a units-of-production basis over the total expected deliveries to be received of 16.7Mlbs (30 June 2023: 16.9Mlbs; 31 December 2023: 15.5Mlbs). During the period to 30 June 2024, the Group received 0.12Mlbs of cobalt resulting in a depletion charge of $1.2m (30 June 2023: 0.26Mlbs resulting in a depletion charge of $2.6m; six months to 31 December 2023: 0.22Mlbs resulting in a depletion charge of $2.4m).

The contingent consideration in relation to the acquisition is determined by reference to minimum production thresholds and cobalt prices, and has been classified as a financial liability that is carried at fair value based on the discounted expected cash outflows. The fair value of the contingent consideration is remeasured at each reporting date, such that the gross carrying amount is equal to the sum of amounts paid to date and expected future payments and depreciated on a units-of-production basis over the total expected deliveries to be received from the metal stream.

As at 30 June 2024 the fair value of the contingent consideration for future periods has been determined to be nil as the minimum production and price thresholds are not expected to be achieved in the period to 30 June 2025 (31 December 2023: nil).

9 Royalty financial instruments

The details of the Group's royalty financial instruments, which are held at fair value are summarised below:

	Commodity	Royalty rate	Escalation	Classification	30 June 2024 Carrying value $'000	31 December 2023 Carrying value $'000
EVBC	Gold, silver, copper	0.50%	Up to 3% gold >$2,500/oz	FVTPL	-	-
Dugbe 1	Gold	2.00%	2.5% >$1,800/oz and production <50,000oz/qrt	FVTPL	5,414	1,402
McClean Lake	Uranium	-	22.5% of tolling milling receipt on production >215Mlbs	FVTPL	4,914	2,865
Piauí	Nickel-cobalt	1.60%	-	FVTPL	19,785	18,329
Labrador Iron Ore	Iron ore	7.00%	-	FVOCI	1,218	10,233
					31,331	32,829

The Group's royalty instruments are represented by four royalty agreements, EVBC, Dugbe 1, McClean Lake and Piauí which entitle the Group to either the repayment of principal and a net smelter return ("NSR") royalty for the life of the mine or a gross revenue royalty ("GRR") where the project commences commercial production or the repayment of principal where it does not. All four royalty agreements are classified as fair value through profit or loss ('FVTPL').

The Group's entitlements to cash by way of the repayment of the principal and the NSR royalty or the GRR have been classified as fair value through profit or loss in accordance with IFRS 9 and are carried at fair value in accordance with the Group's classification of royalty arrangements criteria adopted in the last annual financial statements for the year to 31 December 2023.

The Group's fifth royalty financial instrument is its equity investment in Labrador Iron Ore Company ('LIORC'), which entitles the Group to a share of the 7% GRR LIORC receives from the Iron Ore Company of Canada ('IOC') mine and distributes to its shareholders via dividends. As LIORC is a single asset company, holding the GRR over the IOC mine, which is owned and operated by Rio Tinto. The Group has classified its equity investment in LIORC as a royalty financial instrument and made an irrevocable election to designate it as FVTOCI.

The Group sold 367,200 shares in LIORC in the first half of 2024 generating C$11.1m ($8.1m) in proceeds and retained 57,390 shares. The Group's partial sale of its holding in LIORC in 2024 resulted in a capital gain of C$2.2m ($1.6m) which was transferred directly to retained earnings, net of C$0.3m ($0.2m) in income tax arising from the gain.

The resulting dividends from the Group's investment in LIORC have been classified as royalty related revenue (refer to note 2) as a result of LIORC's primary source of income being the 7% GRR described above.

At the reporting date, the fair value of the Group's investment in LIORC has been determined by reference to the quoted bid price of the instrument.

The Group's remaining royalty financial instruments are valued based on the net present value of pre-tax cash flows discounted at a pre-tax nominal rate between 10.50% and 16.50% at reporting date.

For those royalty financial instruments not in production, the outcome of this net present value calculation is then risk weighted to reflect management's current assessment of the overall likelihood and timing of each project coming into production and royalty income arising. This assessment is impacted by news flow relating to the underlying operation in the period, in conjunction with management's assessment of the economic viability of the project based on commodity price projections.

The table below outlines the discount rate and risk weighting applied in the valuation of the Group's royalty financial instruments:

		30 June 2024		31 December 2023	
	Classification	**Discount Rate**	**Risk Weighting**	**Discount Rate**	**Risk Weighting**
EVBC	Fair Value through Profit or Loss	11.50%	0%	12.00%	0%
Dugbe 1	Fair Value through Profit or Loss	16.50%	25.00%	35.00%	32.50%
McLean Lake	Fair Value through Profit or Loss	10.50%	60%	10.00%	60%
Piaui	Fair Value through Profit or Loss	13.00%	42.5% - 100%[1]	17.50%	55%–100%[1]

[1] A risk weighting of 42.5% (2023:55%) is applied to the probability of Piaui's expanded 24Ktpa plant reaching commercial production, as compared to the risk weighting of 100% (2023: 100%) applied to the 1Ktpa plant which has already achieved production.

10 Royalty and exploration intangible assets

	30 June 2024 $'000	31 December 2023 $'000
Royalty interests	325,030	332,570
Contingent consideration	8,655	11,115
Exploration and evaluation costs	919	919
Gross carrying amount	334,604	344,604
Amortisation and impairment	(71,638)	(74,803)
Carrying amount	**262,966**	**269,801**

Impairments of royalty intangible assets

All intangible assets are assessed for indicators of impairment at each reporting date. Where an impairment indicator has been identified, the recoverable amount of the asset has been estimated at 30 June 2024 with no impairment charges recognised (31 December 2023: no impairment charges recognised). The Group's intangible assets will be assessed for indicators of impairment again at 31 December 2024.

Impairment sensitivity

The Group considers the announcement by BHP on 11 July 2024 to suspend the construction of West Musgrave project from October 2024 with the decision to be reviewed by February 2027, as an indicator of impairment as at 30 June 2024. Having reviewed the recoverable amount of the West Musgrave royalty at 30 June 2024 and concluded that no impairment charge should be recognised, the Group has reviewed the sensitivity of its assessment concluding the following:

- A 10% decrease in the underlying commodity prices would result in an impairment charge of $6.6m being recognised.
- A 1% increase in the discount rate applied to the expected future cash flows from the West Musgrave royalties, would result in an impairment charge of $6.6m being recognised.

Contingent consideration

On 19 July 2022, the Group acquired the West Musgrave, Santa Domingo, Nifty and Carlota royalties from South32 Royalty Investments Pty Ltd ("South32") for a fixed consideration of $185m with further contingent consideration of up to $15m. The deferred consideration has been paid in full, with the last payment made in January 2024 of $9.2m.

Contingent consideration is payable subject to future nickel prices and minimum production levels at West Musgrave post commencement of production and has been classified as a financial liability that is carried at fair value based on the discounted expected future cash outflows. After initial recognition the contingent consideration is measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the royalty intangible assets balance. As at 30 June 2024, the fair value of the contingent consideration payable is $8.7m based on a pre-tax nominal discount rate of 11.0% (31 December 2023: fair value of $11.1m on a pre-tax nominal discount rate of 10.5%).

Amortisation of royalty intangible assets

The amortisation charge for the period, of $1.9m (30 June 2023: $2.1m) relates to the Group's producing royalties, Mantos Blancos, Maracás Menchen, Carlota and Four Mile. Amortisation of the remaining interests will commence once they begin commercial production.

11 Mining and exploration interests

Total mining and exploration interests are represented by:

	30 June 2024 $'000	31 December 2023 $'000
Quoted investments	1,806	296
Unquoted investments	2,496	2,495
	4,302	2,791
Number of investments	8	7

On 28 June 2024, the Group subscribed for 10,442,427 new ordinary shares at a price of 11.3652 pence per share in Rainbow Rare Earths Ltd for $1.5m, which was paid after the period end. Rainbow Rare Earths Ltd is listed on the London Stock Exchange. The share subscription was executed in connection with the royalty acquisition over the Phalaborwa Rare Earths Project which was completed after the reporting period (refer to note 23).

12 Deferred costs

	30 June 2024 $'000	31 December 2023 $'000
Deferred acquisition costs	400	341
Deferred financing costs	1,497	-
	1,897	341

Deferred financing costs

As at 30 June 2024 deferred financing costs of $1.5m represent the unamortised costs associated with the Group's $150m revolving credit facility which was amended and extended in January 2024 (note 14). These deferred financing costs are amortised over the three-year term of the facility.

13 Trade and other receivables

	30 June 2024 $'000	31 December 2023 $'000
Non-current		
Denison financing agreement	14,836	17,135
Deferred consideration	4,310	6,311
Contingent consideration	8,326	10,149
Other receivables	120	113
	27,592	33,708

	30 June 2024 $'000	31 December 2023 $'000
Current		
Income tax receivable	173	276
Prepayments	420	383
Royalty receivables	18,759	5,042
Deferred consideration	2,000	2,000
Contingent consideration	1,160	1,122
Other receivables	965	826
	23,477	9,649

Denison financing agreement
For the period ended 30 June 2024, the Group earned $0.8m in interest revenue and received total toll milling receipts of $1.7m, resulting in a principal repayment of $2.5m (30 June 2023: $0.9m in interest revenue and total toll milling receipts of $1.3m, resulting in a principal repayment of $2.3m).

Deferred consideration
The Group disposed of its 1% gross revenue royalty over the Narrabri mine to the operator, Whitehaven Coal Limited, for fixed consideration of $21.6m of which $4.4m was received on completion with the balance payable in annual instalments until 31 December 2026 and further contingent consideration also payable over the period to 31 December 2026. $2m of fixed consideration was received in the six months ended 30 June 2024.

Contingent consideration
Contingent consideration receivable comprises of contingent consideration in relation to the West Musgrave acquisition as well as the Narrabri disposal (as described above).

As described in note 10, under the West Musgrave Royalty the Group is entitled to a A$10m payment on commercial production being achieved at West Musgrave, which is distinct from and separate to the net smelter return royalty and is accounted for as a financial asset and measured at fair value through profit or loss. As at 30 June 2024, the fair value of the contingent consideration receivable is $5.7m (31 December 2023: $6.8m).

The contingent consideration receivable from the disposal of Narrabri consists of $5.0m, receivable in instalments, upon the approval of the Narrabri South extension project by state and federal authorities in Australia, prior to 31 December 2026. In addition, the Group is entitled to receive bi-annual contingent payments linked to future realised coal prices during the period from closing to 31 December 2026. Subject to realised prices exceeding $90/t the Group will be entitled to $0.05/t, increasing to $0.25/t if realised prices exceed $150/t. Both elements of the contingent consideration in relation to the sale of the Narrabri royalty have been classified as a financial asset that is carried at fair value based on discounted expected cash flows. $0.2m of contingent consideration was received in the six months ended 30 June 2024.

As at 30 June 2024, the Group assessed the probability of the Narrabri South Extension being approved at 50% (2023: 50%) and applied this to the discounted future cash flows with an 11% (2023: 11%) pre-tax nominal discount rate resulting in a fair value of $2.3m (2023: $2.1m) for this element of the contingent consideration. The price and sales volume linked contingent consideration was also valued by applying an 11% (2023: 11%) pre-tax nominal discount rate to the expected future cash flows, resulting in a fair value of $1.5m (2023: $2.1m) for this element of the contingent consideration.

Royalty receivables
Royalty receivables comprise amounts relating to royalties receivable from Kestrel, Mantos Blancos, Maracás Menchen, EVBC and Carlota for the last quarter in each period, together with dividends declared but not yet received from LIORC. These amounts were received in full after the period end.

14 Borrowings

	30 June 2024 $'000	31 December 2023 $'000
Secured borrowing at amortised cost		
Revolving credit facility	98,962	82,400
	98,962	82,400

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including the definitions, please refer to page 4.

In January 2024 the Group entered into an amendment and extension of its $150m revolving credit facility agreement largely on the same terms as the previous facility and subject to SOFR plus a ratchet between 2.25% and 4.00%, depending on leverage levels. The amended and extended facility also includes an uncommitted accordion feature of up $75m to be used to fund royalty acquisitions which, if implemented, would take the potential borrowing capacity up to $225m. The Group's facility is secured by way of a floating charge over the Group's assets and is subject to a number of financial covenants, all of which have been met during the period ended 30 June 2024.

The facility has a maturity date of January 2027 and subject to lender consent, can be extended twice by up to 12 months on each occasion.

The Directors consider that the carrying amount of the Group's borrowings approximates their fair value.

The Group's net debt position after offsetting interest bearing liabilities against cash and cash equivalents is as follows:

	30 June 2024 $'000	31 December 2023 $'000
Revolving credit facility	(98,962)	(82,400)
Cash and cash equivalents	12,980	7,850
Net debt	(85,982)	(74,550)

15 Deferred tax

The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	30 June 2024 $'000	31 December 2023 $'000
Deferred tax liabilities	(24,237)	(28,126)
Deferred tax assets	36,128	37,451
	11,891	9,325

The following are the major deferred tax liabilities/(assets) recognised by the Group and the movements thereon during the period:

	Revaluation of coal royalty $'000	Revaluation of royalty instruments $'000	Accrual of royalty receivable $'000	Other revaluations $'000	Tax losses $'000	Total $'000
At 1 January 2023	32,001	567	3,061	1,406	(32,810)	4,225
Charge/(credit) to profit or loss	(13,146)	544	(281)	152	(97)	(12,828)
Credit to other comprehensive income	-	(253)	-	-	-	(253)
Exchange differences	(630)	21	(79)	(42)	-	(730)
Effect of change in tax rate:	-	-	-	-	-	
- income statement	-	-	-	-	(617)	(617)
At 30 June 2023	18,225	879	2,701	1,516	(33,524)	(10,203)
Charge/(credit) to profit or loss	4,590	(1,465)	(1,842)	(352)	(105)	826
Credit to other comprehensive income	-	(371)	-	-	-	(371)
Exchange differences	391	(26)	23	36	(1)	423
At 31 December 2023	23,206	(983)	882	1,200	(33,630)	(9,325)
Charge/(credit) to profit or loss	(7,157)	1,765	4,138	(451)	32	(1,673)
Credit to other comprehensive income	-	(69)	-	-	-	(69)
Partial disposal of LIORC recognised in equity	-	(211)	-	-	-	(211)
Exchange differences	(621)	38	17	(33)	(14)	(613)
At 30 June 204	15,428	540	5,037	716	(33,612)	(11,891)

Uncertain tax positions

The Group operates across many tax jurisdictions. Application of tax law can be complex and requires judgement to assess risk and estimate outcomes, particularly in relation to the Group's cross-border operations and transactions. The evaluation of tax risks considers both amended assessments received and potential sources of challenge from tax authorities. In some cases, it may not be possible to determine a range of possible outcomes or a reliable estimate of the potential exposure.

Tax matters with uncertain outcomes arise in the normal course of business and occur due to changes in tax law, changes in interpretation of tax law, periodic challenges and disagreement with tax authorities. Tax obligations assessed as having probable future economic outflows capable of reliable measurement are provided for. As at 30 June 2024 the Group recognised a provision for uncertain tax positions of $4.0m (30 June 2023: $3.8m; 31 December 2023: $4.0m).

The Group does not currently have any material unresolved tax matters or disputes with tax authorities. Recent changes to and the interpretation of tax legislation in certain jurisdictions where the Group has established structures may however, be a potential source of challenge from tax authorities. Due to the complexity of changes in international tax legislation, the Group has taken local advice and has recognised provisions where necessary. None of these provisions are material in relation to the Group's assets or liabilities.

16 Trade and other payables

	30 June 2024 $'000	31 December 2023 $'000
Non-current		
Contingent consideration	8,656	11,115
Lease liability	2,918	2,918
Other taxation and social security payables	404	428
	11,978	14,461

	30 June 2024 $'000	31 December 2023 $'000
Current		
Other taxation and social security payables	307	151
Trade payables	464	414
Accruals and other payables	5,259	3,172
Lease liability	440	440
Deferred consideration	-	9,167
	6,470	13,344

As at 31 December 2023, current deferred consideration payable and non-current contingent consideration payable is in relation to the acquisition of West Musgrave as detailed in note 10. The final instalment of the deferred consideration payable was paid in January 2024.

17 Share capital, share premium and merger reserve

	Number of shares	Share capital $'000	Share premium $'000	Merger reserve $'000	Total $'000
Group and Company					
Ordinary shares of 2p each at 1 January 2023	**257,856,157**	**6,761**	**169,212**	**94,847**	**270,820**
Utilisation of shares held in treasury on exercise of employee options (a)	47,244	1	-	-	1
Ordinary shares of 2p at 30 June and 31 December 2023	**257,903,401**	**6,762**	**169,212**	**94,847**	**270,821**
Share buy-back (b)	(9,491,317)	(239)	-	-	(239)
Utilisation of shares held in treasury on exercise of employee options (c)	185,809	**5**	**-**	**-**	**5**
Ordinary shares of 2p at 30 June 2024	**248,597,893**	**6,528**	**169,212**	**94,847**	**270,587**

(a) On 26 February 2023, the Company utilised 47,244 ordinary shares of 2p each from treasury, to settle awards to employees under the Deferred Share Bonus Plan that had vested.

(b) The Company acquired in aggregate 9,491,317 ordinary shares of 2p each between 27 March 2024 and 30 May 2024 for a total consideration of U$10m under a share buy-back programme. The ordinary shares repurchased under the programme are held in treasury.

(c) On 25 June 2024, the Company utilised 185,809 ordinary shares of 2p each from treasury, to settle awards to employees under the Long-term Incentive Plan that had vested.

As at 30 June 2024, the Group held 13,134,660 shares in treasury (31 December 2023: 3,829,152).

18 Segment information

The Group's chief operating decision maker is considered to be the Executive Committee. The Executive Committee evaluates the financial performance of the Group based on a portfolio view of its individual royalty arrangements. Royalty income and its associated impact on operating profit is the key focus of the Executive Committee. The income from royalties is presented based on the jurisdiction in which the income is deemed to be sourced as follows:

Australia:	Kestrel, Crinum, Four Mile, Pilbara, West Musgrave, Nifty
Americas:	Voisey's Bay, McClean Lake, Mantos Blancos, Maracás Menchen, LIORC, Ring of Fire, Piauí, Canariaco, Ground Hog, Flowstream, Amapá, Carlota, Santo Domingo and Vizcachitas
Europe:	EVBC, Salamanca
Other:	Dugbe I, Corporate and also includes the Group's mining and exploration interests (excluding Flowstream)

The following is an analysis of the Group's results by reportable segment. The key segment result presented to the Executive Committee for making strategic decisions and allocation of resources is operating profit as analysed below.

The segment information provided to the Executive Committee for the reportable segments for the six months ended 30 June 2024 is as follows (noting that total segment operating profit corresponds to operating profit before revaluations which is reconciled to profit/loss before tax on the face of the consolidated income statement):

	Australia Royalties $'000	Americas Royalties $'000	Europe Royalties $'000	All other segments $'000	Total $'000
Royalty and stream related revenue	42,133	7,325	-	-	49,458
Amortisation and depreciation of royalties and streams	(40)	(3,031)	-	-	(3,071)
Mineral streams cost of sales	-	(368)	-	-	(368)
Operating expenses	(1,911)	(67)	-	(3,786)	(5,764)
Total segment operating profit/(loss)	40,182	3,859	-	(3,786)	40,255
Total segment assets	184,932	406,996	243	23,156	615,327
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets)	-	-	-	2	2
Total segment liabilities	51,424	86,679	-	9,067	147,170

The segment information provided to the Executive Committee for the reportable segments for the six months ended 30 June 2023 is as follows:

	Australia Royalties $'000	Americas Royalties $'000	Europe Royalties $'000	All other segments $'000	Total $'000
Royalty and stream related revenue	32,427	10,308	-	-	42,735
Amortisation and depreciation of royalties and streams	(47)	(4,618)	-	-	(4,665)
Mineral streams cost of sales	-	(725)	-	-	(725)
Operating expenses	(2,060)	(59)	-	(2,844)	(4,963)
Total segment operating profit/(loss)	30,320	4,906	-	(2,844)	32,382
Total segment assets	193,619	413,021	-	12,433	619,073
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets)	-	-	-	54	54
Total segment liabilities	78,804	54,185	-	7,022	140,011

The segment information for the twelve months ended 31 December 2023 is as follows:

	Australia Royalties $'000	Americas Royalties $'000	Europe Royalties $'000	All other segments $'000	Total $'000
Royalty and metal stream related revenue	42,698	19,202	-	-	61,900
Amortisation and depletion of royalties and streams	(81)	(7,386)	-	-	(7,467)
Metal streams cost of sales	-	(1,338)	-	-	(1,338)
Operating expenses	(4,134)	(374)	-	(6,381)	(10,889)
Total segment operating profit/(loss)	38,483	10,104	-	(6,381)	42,206
Total segment assets	207,288	417,327	112	11,550	636,277
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets)	-	20,407	-	112	20,519
Total segment liabilities	61,246	78,803	-	14,209	154,258

The amounts provided to the Executive Committee with respect to total segment assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

The amounts provided to the Executive Committee with respect to total segment liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The royalty related income in Australia for the six months ended 30 June 2024 of $42.1m (2023: $32.4m) is substantially derived from the Kestrel royalty, which generated $40.8m for the six months ended 30 June 2024 (2023: $31.8m). The royalty and stream related income derived from the Kestrel royalty represent greater than 10% of the Group's revenue for the six months ended 30 June 2024 and 30 June 2023.

The royalty related income in the Americas for the six months ended 30 June 2024 of $7.3m (2023: $10.3m) is substantially derived from the Voisey's Bay metal stream sales of $2.0m (2023: $3.1m), Mantos Blancos royalties of $2.8m (2023: $3.3m) and dividends received from the Group's investment in LIORC of $0.2m (2022: $0.9m).

The royalty and metal stream-related revenue for the six months ended 30 June 2024 from Voisey's Bay of $2.0m (2023: $3.1m), together with $1.1m from Maracás Menchen (2023: $1.7m), $2.8m from Mantos Blancos (2023: $3.3m), $1.4m from Four Mile (2023: $0.6m) and $0.4m from Carlota (2023: $0.3m), represents revenue recognised from contracts with customers as defined by IFRS 15.

19 Free cash flow

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including the definitions, please refer to page 4.

The structure of a number of the Group's royalty financing arrangement, such as the Denison transaction completed in February 2017, result in a significant amount of cash flow being reported as principal repayments, which are not included in the income statement. As the Group considers the dividend payout by reference to the free cash flow generated by its assets, management have determined that free cash flow per share is a key performance indicator.

Free cash flow per share is calculated by dividing net cash generated from operating activities, proceeds from the disposal of non-core assets and repayments under commodity related financing agreements, less finance costs paid, by the weighted average number of shares in issue. The free cash flow per share for the period ended 30 June 2023 has been restated to include the proceeds on disposal of Narrabri as a non-core asset. This change is in line with the Group's updated Capital Allocation Framework as disclosed on page 17 of the 2023 Annual Report.

	6 months ended 30 June 2024 $'000	Free cash flow per share c
Net cash generated from operating activities		
Net cash generated from operating activities for the period ended 30 June 2024	13,215	
Adjustment for:		
Proceeds from disposal of non-core assets	2,201	
Finance income received	103	
Finance costs paid	(4,624)	
Repayments under commodity related financing agreements	1,714	
Free cash flow for the period ended	12,609	4.92c

	6 months ended 30 June 2023 $'000 (restated)	Free cash flow per share c
Net cash generated from operating activities		
Net cash generated from operating activities for the period ended 30 June 2023	18,293	
Adjustment for:		
Proceeds from disposal of non-core assets	4,761	
Finance income received	3	
Finance costs paid	(2,164)	
Repayments under commodity related financing agreements	1,312	
Free cash flow for the period ended	22,205	8.61c

The weighted average number of shares in issue for the purpose of calculating the free cash flow per share is as follows:

	30 June 2024	30 June 2023
Weighted average number of shares in issue	256,291,853	257,888,523

20 Financial risk management

The Group's principal treasury objective is to provide sufficient liquidity to meet operational cash flow and dividend requirements and to allow the Group to take advantage of new growth opportunities whilst maximising shareholder value. The Group's activities expose it to a variety of financial risks including liquidity risk, credit risk, foreign exchange risk and price risk. The Group operates controlled treasury policies which are monitored by management to ensure that the needs of the Group are met while minimising potential adverse effects of unpredictability of financial markets on the Group's financial performance.

Financial instruments
The Group held the following investments in financial instruments (this includes investment properties):

	30 June 2024 $'000	31 December 2023 $'000
Investment property (held at fair value)		
Coal royalties (Kestrel)	51,427	77,354
Fair value through other comprehensive income		
Royalty financial instruments	1,218	10,233
Mining and exploration interests	4,302	2,791
Fair value through profit or loss		
Royalty financial instruments	30,113	22,596
Contingent consideration – receivable	9,366	11,070
Financial assets at amortised cost		
Trade and other receivables	40,990	31,427
Contingent consideration – receivable	120	201
Cash at bank and on hand	12,980	7,850
Financial liabilities at amortised cost		
Trade and other payables	464	414
Borrowings	98,962	82,400
Deferred consideration	-	9,167
Lease liability	3,358	3,358
Financial liabilities at fair value through profit or loss		
Contingent consideration – payable	8,656	11,115

Cash and cash equivalents comprise cash and short-term deposits held by the Group treasury function. The carrying amount of these assets approximates their fair value.

The Directors consider that the carrying amount of trade and other receivables, trade and other payables and deferred consideration approximates their fair value.

Liquidity and funding risk
The objective of the Group in managing funding risk is to ensure that it can meet its financial obligations as and when they fall due. As at 30 June 2024, the Group had borrowings of $99.0m (31 December 2023: $82.4m) and cash and cash equivalents of $13.0m (31 December 2023: $7.9m).

Subsequent to the period end, the Group made a partial repayment of $10m and borrowed a further $5m to partially fund the acquisition of the Phalaborwa Rare Earths Project royalty detailed in note 23. As a result of these transactions, total borrowings under the Group's revolving credit facility as of the date of this report are $94.0m. Subject to continued covenant compliance, the Group has access to a further $56.0m through its secured $150m revolving credit facility as at the date of this report. Further details on the Group's revolving credit facility are included in note 14.

Credit risk
The Group's principal financial assets are bank balances, royalty financial instruments (excluding the investment in LIORC), non-current other receivables and trade and other receivables. These represent the Group's maximum exposure to credit risk in relation to financial assets and total $94.2m at 30 June 2024 (31 December 2023: $73.8m).

Foreign exchange risk
The Group's transactional foreign exchange exposure arises from income, expenditure and purchase and sale of assets denominated in foreign currencies. With royalty income from Kestrel accounting for over 80% of the Group's income (30 June 2023: over 75%), the Group's primary foreign exchange exposure is to the Australian dollar, in which these royalties are denominated. In addition to the Group's exposure to the Australian dollar, it is also exposed to the Canadian dollar through the royalty related revenue from LIORC and McClean Lake which is denominated in Canadian dollars and accounted for 2% of the Group's income (30 June 2023: 4.2%).

The Group's hedging policy allows foreign exchange forward contracts to be entered into with a maximum exposure of 70% of forecast Australian and Canadian dollar denominated royalty revenue expected to be received during a period not exceeding 12 months from contract date to settlement. There are no outstanding forward contracts at 30 June 2024 and 31 December 2023.

Price risk
The royalty and metal stream portfolio exposes the Group to other price risks through fluctuations in commodity prices, particularly the prices of coking coal, cobalt, vanadium, copper, iron ore, gold and uranium. The Directors obtain independent commodity price forecasts, the generation of which takes into account fluctuations in prices, which are utilised in the valuation of royalties – refer to note 7 and 9.

In addition to the commodity price risk, the Group is exposed to share price risk in respect of its mining and exploration interests which include listed and unlisted equity securities, together with its investment in LIORC which is classified as a royalty financial instrument (note 9). No specific hedging activities are undertaken in relation to these interests and the voting rights arising from these equity instruments are utilised in the Group's favour.

Fair value hierarchy

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. The following tables present the Group's assets and liabilities that are measured at fair value at 30 June 2024:

Group	**Notes**	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets					
Coal royalties (Kestrel)	7	-	-	51,427	51,427
Royalty financial instruments	9	1,218	-	30,113	31,331
Mining and exploration interests – quoted	11	1,806	-	-	1,806
Mining and exploration interests – unquoted	11	-	2,496	-	2,496
Contingent consideration – receivable	13	-	-	9,366	9,366
Liabilities					
Contingent consideration – payable	16	-	-	(8,656)	(8,656)
Net fair value		3,024	2,496	82,250	87,770

The following tables present the Group's assets and liabilities that are measured at fair value at 31 December 2023:

Group	**Notes**	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets					
Coal royalties (Kestrel)	7	-	-	77,354	77,354
Royalty financial instruments	9	10,233	-	22,596	32,829
Mining and exploration interests – quoted	11	296	-	-	296
Mining and exploration interests – unquoted	11	-	2,495	-	2,495
Contingent consideration – receivable	13	-	-	11,070	11,070
Liabilities					
Contingent consideration – payable	16	-	-	(11,115)	(11,115)
Net fair value		10,529	2,495	99,905	112,929

There have been no significant transfers between Levels 1 and 2 in the reporting period.

Fair value measurements in Level 3

The methods and valuation techniques used for the purposes of measuring fair value of coal royalties, royalty financial instruments and contingent consideration receivable and payable remain as disclosed in note 34 of the consolidated financial statements of the Group for the year ended 31 December 2023. A description of the valuation process for Coal Royalties is provided in note 7 which describes the assumptions that the valuations are most sensitive to. Note 9 describes the sensitive assumptions affecting the valuation of Royalty financial instruments, alongside commodity price forecasts.

The Group's financial assets and liabilities classified in Level 3 uses valuation techniques based on significant inputs that are not based on observable market data.

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2024.

	Royalty financial instruments	Coal royalties (Kestrel)	Contingent consideration - receivable	Contingent consideration - acquisitions	Total
	$'000	$'000	$'000	$'000	$'000
At 1 January 2024	22,596	77,354	11,070	(11,115)	99,905
Revaluation gains or losses recognised in:					
Income statement	8,465	(23,858)	(1,308)	-	(16,701)
Royalty intangible and metal stream	-	-	-	2,193	2,193
Royalties due or received from royalty financial instruments	(510)	-	-	-	(510)
Reclassified to current receivables/payables	-	-	(120)	-	(120)
Foreign currency translation	(438)	(2,069)	(276)	266	(2,517)
At 30 June 2024	30,113	51,427	9,366	(8,656)	82,250

The following table presents the changes in Level 3 instruments for the year ended 31 December 2023.

	Royalty financial instruments	Coal royalties (Kestrel)	Contingent consideration – receivable	Contingent consideration – acquisitions	Total
	$'000	$'000	$'000	$'000	$'000
At 1 January 2023	18,290	106,669	12,650	(10,058)	127,551
Contingent consideration received	-	-	(1,351)	-	(1,351)
Revaluation gains or losses recognised in:					
Income statement	(3,088)	(28,520)	(666)	-	(32,274)
Royalty intangible and metal stream	-	-	-	(1,037)	(1,037)
Royalties due or received from royalty financial instruments	(718)	-	-	-	(718)
Additions	7,774	-	-	-	7,774
Foreign currency translation	338	(795)	437	(20)	(40)
At 31 December 2023	22,596	77,354	11,070	(11,115)	99,905

There have been no transfers into or out of Level 3 in any of the reporting periods.

The Group measures its entitlement to the royalty income and any optionality embedded within the royalty instruments using discounted cash flow models. In determining the discount rate to be applied, management considers the country and sovereign risk associated with the projects, together with the time horizon to the commencement of production and the success or failure of projects of a similar nature.

21 Portfolio contribution

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including the definitions, please refer to page 4.

Portfolio contribution represents the funds received or receivable from the Group's underlying royalty and stream related assets. A number of the Group's royalty financing arrangements result in a significant amount of cash flow being reported as principal repayments, which are not included in the income statement. In addition, royalty receipts from those royalty financial instruments classified as FVTPL such as EVBC, are reflected in the fair value movement of the underlying royalty rather than recorded as royalty and stream related revenue. The Group considers total portfolio contribution as a means of assessing the overall performance of the Group's underlying royalty and metal stream related assets.

Portfolio contribution is royalty and stream related revenue (note 2), less metal stream cost of sales, plus royalties received or receivable from royalty financial instruments carried at FVTPL and principal repayment received under the Denison financing agreement (note 13) as follows:

	Six months ended	
	30 June 2024	**30 June 2023**
	$'000	**$'000**
Royalty and stream related revenue (note 2)	49,458	42,735
Royalties due or received from royalty financial instruments	510	1,170
Repayments under commodity related financing agreements (note 13)	1,714	1,312
Mineral streams cost of sales	(368)	(725)
	51,314	44,492

Metal streams costs of sales represent the cost of cobalt purchases under the Voisey's Bay stream agreement, marketing costs and insurance. The cost of cobalt purchases is 18% of an industry cobalt reference price until the original upfront amount paid for the stream, by its original holder, of $300m is reduced to nil (through accumulating credit from 82% of the cobalt reference price), increasing to 22% thereafter.

22 Share-based payments

On 26 February 2023, the Company utilised 47,244 ordinary shares of 2p each from treasury, to settle awards to employees under the Deferred Share Bonus Plan that had vested.

On 25 June 2024, the Company utilised 185,809 ordinary shares of 2p each from treasury, to settle awards to employees under the Long-term Incentive Plan that had vested.

23 Events occurring after period end

On 28 June 2024, the Group entered into an agreement to acquire a 0.85% Gross Revenue Royalty over the Phalaborwa Rare Earths Project located in South Africa for a total cash consideration of $8.5m. The royalty rate steps up by 0.1% to 0.95% if commercial production does not occur prior to 1 October 2027. If commercial production does not occur prior to 1 July 2028, then the royalty rate steps up by a further 0.15% to 1.10%.

Payment of the $8.5m royalty consideration was conditional upon:

- receipt of exchange control authorisation from the South African Reserve Bank Financial Surveillance Department (customary for transactions of this nature), expected within 6 to 8 weeks of submitting the application; and
- execution and delivery of certain security documents to Ecora.

Exchange control authorisation from the South African Reserve Bank Financial Surveillance Department was received on 25 July 2024. As at the date of this report the execution and delivery of the required security documents has not yet occurred and therefore, ownership of the royalty had not passed to the Group at 30 June 2024 and is not included in the balance sheet.

24 Availability of financial statements

This statement will be sent to shareholders and will be available at the Group's registered office at Kent House, 3rd Floor North, 14-17 Market Place, London W1W 8AJ.

Responsibility statement

The Directors are responsible for preparing the Interim Results for the six months ended 30 June 2024 in accordance with applicable law, regulations and accounting standards. In preparing the condensed interim Financial Statements, the Directors are responsible for ensuring that they give a true and fair view of the state of affairs of the Group at the end of the period and the profit or loss of the Group for that period, as required by DTR 4.2.4R.

The Directors confirm that the condensed interim Financial Statements have been prepared in accordance with United Kingdom adopted IAS 34 'Interim Financial Reporting' and that the Interim Results includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed interim Financial Statements, and a description of principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions for the first six months of the year and any material changes in the related party transactions described in the last annual report.

The Directors are listed in the Group's 2023 Annual Report and Accounts. A list of the current Directors is maintained on the Ecora Resources website: www.ecora-resources.com. The maintenance and integrity of this website is the responsibility of the Directors.

On behalf of the Board

M. Bishop Lafleche
Chief Executive Officer
3 September 2024

INDEPENDENT REVIEW REPORT TO ECORA RESOURCES PLC

Conclusion
We have been engaged by the Company to review the condensed set of financial statements in the half yearly financial report for the six months ended 30 June 2024 which comprises the Condensed Consolidated Income Statement, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and the related notes 1 to 24. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Basis for conclusion
We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, “Interim Financial Reporting”.

Conclusions relating to going concern
Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors
The directors are responsible for preparing the half yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half yearly financial report, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the review of the financial information
In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
3 September 2024

Cautionary statement on forward-looking statements and related information

Certain statements in this announcement, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Group's expectations and views of future events. Forward-looking statements (which include the phrase 'forward-looking information' within the meaning of Canadian securities legislation) are provided for the purposes of assisting readers in understanding the Group's financial position and results of operations as at and for the periods ended on certain dates, and of presenting information about management's current expectations and plans relating to the future. Readers are cautioned that such forward-looking statements may not be appropriate other than for purposes outlined in this announcement. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, cash flow, requirement for and terms of additional financing, performance, prospects, opportunities, priorities, targets, goals, objectives, strategies, growth and outlook of the Group including the outlook for the markets and economies in which the Group operates, costs and timing of acquiring new royalties and making new investments, mineral reserve and resources estimates, estimates of future production, production costs and revenue, future demand for and prices of precious and base metals and other commodities, for the current fiscal year and subsequent periods.

Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as 'expects', 'anticipates', 'plans', 'believes', 'estimates', 'seeks', 'intends', 'targets', 'projects', 'forecasts', or negative versions thereof and other similar expressions, or future or conditional verbs such as 'may', 'will', 'should', 'would' and 'could'. Forward-looking statements are based upon certain material factors that were applied in drawing a conclusion or making a forecast or projection, including assumptions and analyses made by the Group in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. The material factors and assumptions upon which such forward-looking statements are based include: the stability of the global economy; the stability of local governments and legislative background; the relative stability of interest rates; the equity and debt markets continuing to provide access to capital; the continuing of ongoing operations of the properties underlying the Group's portfolio of royalties, streams and investments by the owners or operators of such properties in a manner consistent with past practice; no material adverse impact on the underlying operations of the Group's portfolio of royalties, streams and investments from a global pandemic; the accuracy of public statements and disclosures (including feasibility studies, estimates of reserve, resource, production, grades, mine life and cash cost) made by the owners or operators of such underlying properties; the accuracy of the information provided to the Group by the owners and operators of such underlying properties; no material adverse change in the price of the commodities produced from the properties underlying the Group's portfolio of royalties, streams and investments; no material adverse change in foreign exchange exposure; no adverse development in respect of any significant property in which the Group holds a royalty or other interest, including but not limited to unusual or unexpected geological formations and natural disasters; successful completion of new development projects; planned expansions or additional projects being within the timelines anticipated and at anticipated production levels; and maintenance of mining title.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions, which could cause actual results to differ materially from those anticipated, estimated or intended in the forward-looking statements. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. No statement in this communication is intended to be, nor should it be construed as, a profit forecast or a profit estimate.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate; that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Group's control, affect the operations, performance and results of the Group, its businesses and investments, and could cause actual results to differ materially from those suggested by any forward-looking information. Such risks and uncertainties include, but are not limited to current global financial conditions, royalty, stream and investment portfolio and associated risk, adverse development risk, financial viability and operational effectiveness of owners and operators of the relevant properties underlying the Group's portfolio of royalties, streams and investments; royalties, streams and investments subject to other rights, and contractual terms not being honoured, together with those risks identified in the 'Principal Risks and Uncertainties' section of our most recent Annual Report, which is available on our website. If any such risks actually occur, they could materially adversely affect the Group's business, financial condition or results of operations. Readers are cautioned that the list of factors noted in the section herein entitled 'Risk' is not exhaustive of the factors that may affect the Group's forward-looking statements. Readers are also cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

The Group's management relies upon this forward-looking information in its estimates, projections, plans and analysis. Although the forward-looking statements contained in this announcement are based upon what the Group believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. The forward-looking statements made in this announcement relate only to events or information as of the date on which the statements are made and, except as specifically required by applicable laws, listing rules and other regulations, the Group undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

This announcement also contains forward-looking information contained and derived from publicly available information regarding properties and mining operations owned by third parties. This announcement contains information and statements relating to the Kestrel mine that are based on certain estimates and forecasts that have been provided to the Group by Kestrel Coal Pty Ltd ("KCPL"), the accuracy of which KCPL does not warrant and on which readers may not rely.